UNITED
NATIONS

ST

Secretariat

ST/IC/1995/37
20 June 1995

INFORMATION CIRCULAR

To: Members of the staff

From: The Controller

Subject: GROUP LIFE INSURANCE - PREMIUM RATE INCREASE AND WAIVER OF AUTOMATIC INCREASE*

1. The purpose of the present circular is to announce that the premium rate applicable to the Aetna group life insurance plan will increase modestly with effect from 1 August 1995. In addition, the life insurance indemnity level under the Aetna group life insurance plan, adjusted periodically in accordance with increases in the pensionable remuneration of each participant, will be adjusted with effect from 1 October 1995.

Premium rate increase

2. Effective 1 November 1989, the premium rate for the Aetna group life insurance plan was reduced from $0.34 per $1,000 of coverage to $0.28 per $1,000 of coverage. The $0.28/$1,000 rate has been unchanged since that time. As a result of adverse claims experience in the past two years, it is now necessary to increase the premium rate, with effect from 1 August 1995, by $0.02 to $0.30 per $1,000 of coverage.

3. The new premium rate of $0.30 per $1,000 of coverage will be implemented in the July 1995 payroll, as life insurance premiums are paid to Aetna at the beginning of each month. The new monthly payroll premium schedule is set out in annex I to the present circular.

Waiver of automatic increase

4. As indicated in paragraph 1 above, an automatic adjustment in the level of insurance coverage, in accordance with increases in the pensionable remuneration

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* Personnel Manual index No. 6221.

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of each participant, will be implemented in the September payroll in respect of coverage effective 1 October 1995. The adjustment for 1995 will take into account any increases in pensionable remuneration of a participant implemented since 1 July 1992 and which may be implemented between the date of the present circular and September 1995.

5. Consequently, all participants in the plan, other than those who have previously signed a waiver of automatic increase, are reminded that if their pensionable remuneration in September 1995 places them at a higher insurance level, their coverage will automatically be increased to that higher level unless they execute the waiver set out in annex II to the present circular.

Effect of the waiver

6. In signing the waiver form, a participant is choosing to retain his or her group life insurance coverage at the current level. The waiver thus freezes the participant's coverage at that amount indefinitely unless the participant decides at some time in the future to apply for the higher amount of coverage based on his or her pensionable remuneration at the time of application. At the time of such application for higher coverage, the participant will be REQUIRED TO PROVIDE EVIDENCE OF INSURABILITY satisfactory to the insurance company. A special "evidence of insurability" application form is available for this purpose. For its part, the insurance company reserves the right to reject any such application and may require the applicant to undergo a medical examination at the applicant's own expense.

7. In making the decision to waive the automatic increase or not, staff members may wish to check the current level of their pensionable remuneration by reviewing their most recent Pension Fund statement in conjunction with the life insurance brackets set out in annex I to the present circular.

Waiver form

8. The waiver form set out in annex II may be detached or photocopied as necessary. Participants who wish to waive any future automatic increase in life insurance coverage should sign and return the completed waiver form to the Payroll Section, Accounts Division, Office of Programme Planning, Budget and Accounts, room S-1826 (or, if payrolled outside Headquarters, to the appropriate finance section) NO LATER THAN 15 AUGUST 1995. A copy of the executed waiver form should also be sent by the participant to the Insurance Section, Office of Programme Planning, Budget and Accounts, room S-2765.

Designation of beneficiary

9. Staff members are reminded to review their designation of beneficiaries in respect of their group life insurance coverage. Changes in the designation of beneficiaries may be made at any time and special forms for this purpose may be obtained from the Insurance Section, room S-2765, extension 3-5806, at Headquarters. Staff members serving away from Headquarters may obtain these forms from their respective administrative officers.

10. For additional information on group life insurance, please contact the Insurance Section, room S-2765.

11. The present circular supersedes information circulars ST/IC/89/70, dated 20 November 1989, and ST/IC/1992/32, dated 8 May 1992.

Annex I

LIFE INSURANCE BRACKETS

Annual pensionable remuneration	Life insurance	Maximum accidental death and dismemberment insurance	Current monthly payroll premium	New monthly payroll premium effective 1 August 1995
$	$	$	$	$
Less than 2 000	3 000	3 000	0.84	0.90
2 001 to 4 000	6 000	6 000	1.68	1.80
4 001 to 6 000	10 000	10 000	2.80	3.00
6 001 to 8 000	14 000	14 000	3.92	4.20
8 001 to 10 000	18 000	18 000	5.04	5.40
10 001 to 12 000	22 000	22 000	6.16	6.60
12 001 to 14 000	26 000	26 000	7.28	7.80
14 001 to 16 000	30 000	30 000	8.40	9.00
16 001 to 18 000	34 000	34 000	9.52	10.20
18 001 to 20 000	38 000	38 000	10.64	11.40
20 001 to 22 500	42 500	42 500	11.90	12.75
22 501 to 25 000	47 500	47 500	13.30	14.25
25 001 to 27 500	52 500	52 500	14.70	15.75
27 501 to 30 000	57 500	57 500	16.10	17.25
30 001 to 32 500	65 000	65 000	18.20	19.50
32 501 to 35 000	70 000	70 000	19.60	21.00
35 001 to 37 500	75 000	75 000	21.00	22.50
37 501 to 40 000	80 000	80 000	22.40	24.00
40 001 to 42 500	85 000	85 000	23.80	25.50
42 501 to 45 000	90 000	90 000	25.20	27.00
45 001 to 47 500	95 000	95 000	26.60	28.50
47 501 to 50 000	100 000	100 000	28.00	30.00
50 001 to 52 500	105 000	105 000	29.40	31.50
52 501 to 55 000	110 000	110 000	30.80	33.00
55 001 to 57 500	115 000	115 000	32.20	34.50
57 501 to 60 000	120 000	120 000	33.60	36.00
60 001 to 62 500	125 000	125 000	35.00	37.50
62 501 and over	130 000	130 000	36.40	39.00

Note: Coverage for staff members entering the plan at age 60 or later will continue to be restricted to $7,000 group life insurance, plus a similar amount of accidental death and dismemberment insurance.

Coverage for staff members whose life insurance exceeds $58,500 will be automatically reduced to that level on 1 July next following attainment of age 62, plus a similar amount of accidental death and dismemberment insurance.

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Annex II

WAIVER OF AUTOMATIC INCREASE

Date: _____

To: Payroll Section, room S-1826
(or, if payrolled outside Headquarters,
to the appropriate finance section)

Subject: GROUP LIFE INSURANCE

GROUP POLICY NUMBERS GL-14008 AND GC-14008-A

1. I hereby certify that I have been given an opportunity to avail myself of the increased group life insurance benefits as offered by the United Nations in information circular ST/IC/1995/37 and have decided not to take advantage of the offer. I request, therefore, that my life insurance coverages under the subject group policies be maintained at their current levels.

2. I understand that in order to obtain increased insurance in the future, I will be REQUIRED TO PROVIDE EVIDENCE OF INSURABILITY satisfactory to the insurance company and may be required to undergo a medical examination at my own expense. I further understand that the company reserves the right to reject my application for such an increase.

_____
Witness

_____
Signature of staff member

_____
Print or type name in full

_____
Print or type name in full

_____
Payroll index number

_____
Duty station